



State Employee Benefits Committee
Spousal Coordination of Benefits Policy
December 11, 2017

POLICY CLARIFICATIONS

Calendar Year 2018 (Proposed):

- Add language to explicitly call out intention of the policy, when form must be completed and purpose of form to determine primary or secondary coverage status.
- Clarify determination of when spouse is NOT required to enroll
- **Clarification on contribution by spouse of *50% or less* of the premium of the lowest employee only plan requires spouse to enroll in employer plan**
- Clarification throughout that this policy refers to health care (not dental etc.)
- Clarification by definition of Participating Group Employee – page 6

POLICY ADDITIONS – Not New Practice

Calendar Year 2018 (Proposed):

- Add new language for spouses whose employer only offers a high deductible health plan with a health savings account (HSA) to state must still comply with the policy and advise spouse of IRS ruling 2005-25 regarding enrollment in any other health plan and the impact on HSA contributions and taxation.
- Add language related to retired spouses who must enroll in former employer's Medicare Advantage (MA) plan to relay that MA plans do not coordinate with Medicare supplement plans, will be terminated from our Medicare Part D prescription plan by CMS.

POLICY ADDITIONS –New Practice

Calendar Year 2018 (Proposed):

- Add new language for situation where spouse is retired from an employer other than the State and returns to active employment
 - Keep in mind the intention of the policy to ensure fiscal responsibility and not have the State be the primary payer when other coverage is available.
 - In general, spouse must enroll in active employment coverage if employer pays 50% or more of lowest active employee benefit plan
 - Spouse must also maintain health care coverage through former employer for the situations when the State employee retires or the spouse leaves full-time employment
 - The examples provided in the chart outline various scenarios when the spouse may not have to enroll in the full-time employer coverage post retirement.

POLICY EXAMPLES INTO SEPARATE CHART

Calendar Year 2018 (Proposed):

- Provide clarity to employee/pensioners in administration of policy by removing “Examples to Determine Enrollment in Spouse’s Employer’s Plan” from policy to separate chart with separate scenarios based on spouses’ employment status – active, retired, etc.
- Provide clarity on owner/part owner situation where any employee is offered employer contribution
- Footnote clarification related to military service, marketplace coverage and variations in situation based on status State employee (actively employed, retired, etc.)

Next Steps

- Vote on approval of changes at December 11, 2017 meeting